

Partly overcast and cold to-day, followed by rain to-night or to-morrow. Highest temperature yesterday, 44; lowest, 38. Detailed weather, mail and marine reports on page 18.

CUBA DECLARES WAR ON GERMANY; SEIZES FOUR SHIPS; FIRST ISSUE OF \$5,000,000,000 HERE WITHIN THIRTY DAYS; \$3,000,000,000 FOR ALLIES AND \$2,000,000,000 FOR U. S.

THOUSANDS OUT TO GREET BILLY

His Arrival Is Signal for Tumult of Enthusiastic Welcome.

STANDS FOR PATRIOTISM

Says He Feels Fit and Ready to Begin Fight Against Devil Here To-day.

The fastest, finest train on the Pennsylvania Railroad under the North River tunnel dundown last evening, bringing to New York Billy Sunday, recruiting sergeant for the army of the Lord and for the army of the United States of America, for a three months drive against the devil and all hisimps.

Billy, all accouged down in a window seat of his and Ma Sunday's drawing room, his face flattened to the window pane, his nose working, his hands gripping and ungrasping, forgot there was anybody else in the compartment. His mind was turning upon the big adventure—New York and all of its tremendous possibilities. His thoughts were written clear upon his face. Could he win where others had failed? Could he plumb depths that others had merely scratched?

His lips moved and occasionally a word or two escaped from them.

"O God—God help me—God give me the strength—God let me show the people!"

The Pennsylvania limited roared free of the tunnel, slowed for the trainhead, Ma Sunday leaned forward, touched Billy on the knee and nodded toward the bright lights of the station.

"Buddy, here we are," she said, awakening the evangelist from prayer and reverie.

Billy jumped from his seat under the sur of that suggestion, his eyes all a-fire, words pouring from his lips.

Secreted by Police.

"New York! By Jingo, New York, here she is!" he laughed. "What a jump it is, boys! What a jump from a little opera house, twenty years ago, out here, to this grand old city, the biggest, finest city in the Western World and a tabernacle with 20,000 seats in a hunch! Come on, Ma Sunday, trail along here, boys! Let's see what a turnout they've got here in honor of Jesus Christ!"

Billy was out running before the train had quite stopped, out into the night air, an approaching, happy throng of his campaign veterans and New York committee men, Ma Sunday, a bit more sedate in her movements, was not far behind him, and was promptly swallowed up in the crowd of enthusiasts.

The platform was jammed solidly, giving instant promise of the demonstration that was to occur in the grand old city, the streets around the Pennsylvania station. Thousands of voices were singing "Brighten the Corner Where You Are."

Presently all eyes turned to see you. There was a starting with a rush. Wait till you see a look at the tabernacle. Well, all was not as it seemed. You'd not New York coming to greet him.

Then the police, a dozen big fellows especially detailed by Commissioner Woods to see to it that Billy didn't get all of his pep equaled in the streets, charged down the stairway, parted the crowd, tinged about the evangelist and fairly rushed him up the stairway.

Billy across that immense room so fast that at first he didn't comprehend what a whisper of a reception New York was giving him. He was in the next flight of stairs, but there Billy halted them and turned to glance down upon the mass in the rotunda. His face was white as a sheet, for at that moment, for a moment, he was looking at the face of the man who had been his enemy for so long. The waiting crowd, packed so tightly that the vast concourse could hardly have held another man or woman, was looking at him with interest and curiosity. His spirit bloomed.

If the police hadn't been so intent on getting him to his motor car, and if it hadn't been for the fact that Billy didn't squander energy unnecessarily, he wouldn't have been so close to the man who had been his enemy for so long. One could see a big talk forming on his lips. Down on the floor the crowd was saluting Chautauquy and with regular, old fashioned yells, and Billy was Chautauquy back and forth between the station and the car, down, regretting out loud that the police were hauling him away from "that good thing."

In and around the Pennsylvania station there were probably 8,000 persons, crowded not only in the rotunda, but in the galleries and wherever footroom could be wrested from encroaching toes, and in the seventh avenue and Broadway street, a mass of people, the States visiting New York seldom get the sort of reception that was accorded to the Rev. William Ashley Sunday last evening.

At the thirty-second street curb executive automobiles were waiting for Billy's party, cars furnished by John H. Rockefeller, Jr., and other members of the William A. Sunday Evangelical Association, which had made all of the arrangements for the three months campaign in this city. Mr. Rockefeller himself was in the car, but he lost Billy in the crowd and was not until an hour later, when Billy reached 134th street, where he was met by Mr. Rockefeller and taken to his home in the New York campaign was opening.

James M. Spear, chairman of the executive committee, the Rev. Dr. C. L. Goodell, vice chairman, W. H. Van

Hoover to Head Food Commission

WASHINGTON, April 7.—Director Clifford of the Council of National Defense announced to-day that Herbert C. Hoover, who has won universal praise for his conduct of relief work in Belgium, has been designated to head a commission on food supply and prices.

The duties of Mr. Hoover at the outset will be to give to the country the benefit of his knowledge of European food conditions. Later, if conditions justify it, it is understood, Mr. Hoover may occupy a position approximating that of food administrator.

The resolution, by which the Council of National Defense named Mr. Hoover to take charge of the food problem, follows:

"RESOLVED, That Herbert C. Hoover be requested to take the chairmanship of a committee on food supply and prices, which shall report to the council such experience as European governments have had and advise as to proper methods of preventing recurrence, so far as practicable, of the evils arising out of speculative prices and to stimulate increased production of all food supplies."

NAVY SEARCHES FOR RAIDERS OFF COAST

Mysterious Craft Seen Near Nantucket—Shipping Held in Port.

WASHINGTON, April 7.—United States destroyers are to-night searching the sea off New York harbor and the New England coast in search of mysterious craft, said to be German raiders. Reports of raiders off Atlantic ports were received by the Navy Department to-day, and though not confirmed, tended to create a tense atmosphere at the department.

The first report came from Nantucket light vessel, which saw a strange ship passing west at 7:20 o'clock this morning and promptly reported it to the Boston Navy Yard and the Navy Department. Shipping all along the coast was at once warned. Admiral Benson sent word to American war craft off the coast to be on the alert to examine any strange ships. Naval officers realize that the reports may concern unidentified vessels, but precaution demands that nothing be left to chance.

Destroyers flying in steamship lanes have been ordered to keep up a watch which they cannot identify and ascertain their nationality and destination. This will be done by simply calling on the ship to stop, whereupon the destroyer will come within megaphone distance and get his information from the ship's master. In case there are any suspicious circumstances, members of the destroyer crew will board the vessel and make a thorough examination.

The second report which reached the Navy Department was of a mysterious ship off the Virginia Capes. This report came from Hampton Roads, where shipping was held in port while destroyers went out to investigate.

It was 7:40 that the war painted craft loomed out of the fog some fifty miles south of Nantucket Island and about eighty-five miles east of Newport. She was directly in the line for west bound shipping and not more than 200 miles by the usual course from New York. The supposed raider showed two masts and a single funnel. Her speed was estimated to be about 10,000 tons. She sailed about three miles off the lightship for half an hour and then proceeded westward, where she was last seen.

Where she was expected many such reports of raiders, due to the natural high tension among people along the coast. The suggestion was made that the mysterious raider was one of the allied warships on patrol duty and that it was not improbable that the wireless warnings caused by the mysterious ship passing Nantucket were heard along the coast and might be responsible for other reports of a commie raider lying in wait.

BOY SCOUT KILLED BY NORTHPORT SENTRY

Shot While in Motor Car Which Did Not "Halt."

War's cruel impersonality was brought quickly home to the residents of the North Shore of Long Island last night. James Rhigan, 12 years old, a Boy Scout, was killed in his uniform, innocently crossed a martial dead-end at Northport. He was shot and killed by a marine doing sentry duty.

Mr. Rhigan was one of the allied warships on patrol duty and that it was not improbable that the wireless warnings caused by the mysterious ship passing Nantucket were heard along the coast and might be responsible for other reports of a commie raider lying in wait.

The incident occurred at Northport, where the illumination flared up and then almost died out at intervals. The marines on duty had been ordered that whenever there was any trouble with the lights they were to stop and search all automobiles.

Rhigan, son of the proprietor of a roadhouse at Northport, participated in the automobile maneuvers at Huntington in the afternoon. Before he had time to change his uniform Thomas Hall, a boy of the same age, called in his father's automobile and asked him to go to a movie show. Together they set out in the car. As they neared the plant the lights were very dim. A sentry called "Halt."

Young Hall thought one was joking. He went on. The sentry, unable in the gloom to see who was the owner of the car, fired two shots in the air. The third went through the back of the car and killed Rhigan.

KAISER READY FOR REFORMS

Orders Proposals Put in Shape by the Imperial Chancellor.

EFFECTIVE WITH PEACE

Prussian Electoral Revision—Also Foreshadows Changes in the Diet.

AMSTERDAM, April 7, via London, April 8.—Emperor William has ordered German Imperial Chancellor von Bethmann-Hollweg to submit to him certain proposals for the reform of the Prussian election law to be discussed and put into effect after the conclusion of peace.

An official telegram from Berlin announcing this order adds that it fore-shadows also the reform of the upper chamber of the Prussian Diet.

The text of the Emperor's order to the Imperial Chancellor, who is also President of the Ministry of State, follows:

"Never before have the German people proved to be so firm as in this war. The knowledge that the fatherland is fighting in bitter self-defense has exercised a wonderful reconciling power, and despite all sacrifices on the battlefield and severe privations at home their determination has remained imperturbable to stake their last for the victorious issue.

"The national and social spirit have understood each other and become united and has given us steadfast strength. Both of them realized what was built up in long years of peace and amidst many internal struggles. This was certainly worth fighting for. Brightly before my eyes stand the achievements of the entire nation in battle and distress. The events of this struggle for the existence of the empire introduce, with high solemnity, a new time.

"It falls to you as the responsible Chancellor of the German Empire and President of the Ministry of State to formulate the demands of this hour by right means and at the right time, and in this spirit shape our political life in order to make room for the free and joyful cooperation of all the members of our people.

"The principles which you have developed in this respect, have, as you know my approval. I feel conscious of remaining thereby on the road which has been marked out for me by the founder of the empire, as King of Prussia with military organization and as German Emperor with social reform, typically fulfilled."

ACTION IN REICHSTAG.

Radicals Will Introduce Resolution After Easter recess.

COPENHAGEN, via London, April 7.—The declaration by the United States that a state of war exists with Germany and the question of internal liberal reform in Germany have acquired an intimate connection through President Wilson's message. The German Government, though of course denying the validity of President Wilson's statement, has hastened to counteract their probable effect.

The appearance of a semi-official declaration in the *Neue Deutsche Allgemeine Zeitung* on the German Emperor's interest in reforms testifies to the fact that President Wilson's arguments will set home to the Social and Liberal circles, who several weeks ago were enjoying the same thing as the President and were demanding that the Emperor identify himself with the imperial chancellor's promises of reform.

German newspapers of yesterday's date feature the announcement as the leading news of the day along with reports of the German Emperor's interest in reforms. Many of the newspapers follow the *Allgemeine Zeitung*'s lead with articles telling of the firmness of the Emperor's position and the attention which Emperor William has devoted to reforming the constitution and the Reichstag. The Emperor's interest in reforms is a royal endorsement of Chancellor von Bethmann-Hollweg's promises of reform, but most of the Liberal and Radical organs apparently prefer to wait for further and more tangible proof.

There is every evidence, however, that under the influence of recent American and Russian developments the movement for immediate introduction of liberal reforms, particularly the modernization of the Prussian constitution, is steadily gaining ground. Chancellor von Bethmann-Hollweg, who in his last Reichstag speech, declared emphatically that he was "not yet" convinced of the necessity of taking up Prussian electoral reform before the end of the war, may be predicted, soon be brought to see another light.

Plan to Be Taken Up.

The proposal for constitutional reform probably will be taken up immediately after the Easter recess of the Reichstag. The election of members of the committee on reforms is on the programme for the first sitting on April 24. In view of the big majority favoring reforms, reaching from the Socialists into the ranks of the Catholic Centre party, a resolution will be reported out speedily. It will undoubtedly embody a proposal to put the house on record as demanding the reform of the Prussian Diet and a change in the district representation in the Reichstag, taking into consideration the growth and the shifting of the empire's population since 1871.

It is doubtful, however, whether the more radical proposals that the Reichstag is now discussing will be taken up.

AGENTS SEARCH REISINGER HOME FOR WIRELESS PLANT



Mrs. Hugo Reisinger, daughter of the late Adolphus Busch, the brewer, and her grandchild, who is the great-granddaughter of President Benjamin Harrison. The child is the daughter of Mrs. Mary L. McKee Reisinger.

A possible solution to one of the mysteries of the European war—namely, how the Kaiser in Berlin could communicate almost daily with Count von Bernstorff, one time German Ambassador in Washington—was suggested yesterday when United States secret service men under orders from Chief William J. Flynn called upon Mrs. Hugo Reisinger at her home, 252 Fifth avenue, opposite the Metropolitan Museum.

The secret service agents had information that Mrs. Reisinger, whose father was Adolphus Busch, the wealthy brewer of St. Louis, had a wireless plant at her home, and that Mrs. Reisinger had often received in her home Count von Bernstorff, Dr. Heinrich Albert, Germany's commercial attaché, and Capt. Karl Boy-Ed and Frank von Papen, naval and military attachés respectively.

Investigation showed that for a period of more than a year a receiving station for radio messages had been established on the roof of the Reisinger home. Several weeks ago, however, the plant was dismantled and the entire equipment was shipped away.

This plant, it seems, was of an exceedingly costly and powerful variety and was equipped with the so-called Forest audion detector, which is necessary for receiving messages from such a long distance as Nauen, Germany, the site of the Emperor's wonderful radio station.

Had Plant Removed.

Mrs. Reisinger is said to have insisted that she had caused the wireless equipment to be torn from the roof the moment that she learned of its existence. She declared that the man who operated the apparatus was a German reservist. It was learned, however, that the man who had constructed and listened to the electric waves was Alexander Kagan, who served as butler in the Reisinger home, an expert electrician and a skilled wireless operator. He recently resigned his position as butler and departed to parts unknown.

The presence of the secret service men in the Reisinger home was discovered accidentally by reporters and inquiries were made of Chief William J. Flynn, who declined to give any information whatsoever concerning the matter. Independent investigation in various quarters brought out the truth of the statement that the man who operated the wireless plant was known for many months and that the visits of Count von Bernstorff and other German dignitaries, also were known to the authorities.

The reason for the remarkable equipment could not be explained by Mrs. Reisinger, who merely said that she had installed on the roof and so recently were the aerials strung along the house that it was practically impossible for an observer from the street to discover them. One way in which the presence of the wireless equipment was ascertained was through a scrutiny made a long time ago by secret service agents in the names of persons who had purchased the Forest audion detector.

Value Not Revealed.

It could not be learned whether the equipment also was used for sending messages on. Its value for receiving purposes was incalculable. The purpose to which it could have been put is easily appreciated when it is recalled that every morning at 3 o'clock by New York time the great radio station in Nauen begins to send out messages in code.

These messages are addressed to no particular person. They are in numerous languages with various words of Italian and other languages. It is believed that the messages were really addressed to persons who had code names or code numbers.

Mrs. Reisinger denied knowledge of receiving any messages of any kind in her home. If Kagan, or some other wireless operator, who would arrive at 3 o'clock in the morning and put the receiver over his ears, was taking down the messages from the War Office in Berlin, the Reisinger family would have been in the midst of an enterprise that appeals to the imagination and he certainly had opportunity for a long time to carry on his business.

Mrs. Reisinger, wealthy business man of this city and trustee of the Metropolitan Museum of Art, had many friends among the members of the German Embassy. Count von Bernstorff often dined at her home, while Dr. Albert, the Kaiser's chief money man in this country, was a still more frequent visitor. One of her friends was David R. Francis of St. Louis, the present Ambassador to Petrograd. Another man with whom she is acquainted is United States Senator Stone.

First of Latin Republics to Join U. S. in Fight for Democracy.

SOLEMNITY IN ACTION

Congress Vote Unanimous and Full Power Is Given President.

VESSLS ARE DAMAGED

Crews Imprisoned in Cabanas

Fortress After Port Police

Seize Craft.

HAVANA, April 7.—Cuba's first act out of her teens as a republic, is at war with Germany—the first of the Latin American countries to range herself alongside the United States, her liberator and protector.

At 7:15 to-night, President Menocal affixed his signature to the joint resolution passed unanimously late this afternoon by both the Senate and House without a dissenting voice, thus putting into effect the declaration that a state of war exists between Cuba and the Imperial German Government.

The joint committees appointed only yesterday by the Senate and House agreed early this afternoon on the phrasing of the resolution to be presented, and the stage was set for quick action before either branch of Congress convened. The Senate acted with extreme solemnity. The resolution was read, Dr. Ricardo Dolz, Conservative leader, then took the floor and made a short, impressive speech in favor of the resolution. No amendments were offered and the seventeen Senators present voted "aye" when the motion was put. There was no applause or excitement following the vote.

Liveliest Scene in House.

The scene in the House was more lively. The galleries were packed with men and women long before the session opened, the Ministers of France, Spain and Uruguay occupying seats in the diplomatic section. Following the reading of the resolution, Representative Alfredo Betancourt, speaking for the Conservatives, made an impassioned speech in favor of its adoption. He was frequently interrupted by tremendous applause, the entire House and galleries rising cheering and clapping wildly.

Mr. Cortina addressed the House for the Liberal side in support of the resolution. Then, by a rising vote, the House unanimously adopted the resolution. The resolution, which places the President in a position to employ all the forces of the nation and the resources of our government to maintain our rights, guarding our territory and providing for our security, prevent any acts which may be prejudicial to the independence and navigation of the seas, the liberty of commerce and the rights of neutrals and international justice.

Article Two—The President of the republic is hereby authorized to use all the land and naval forces in the form he may deem necessary, using existing forces, reorganizing them, or creating new ones, and to dispose of the economic forces of the nation in any way he may deem necessary.

Article Three—The President will give account to Congress of the measures adopted in fulfillment of this law, which will be in operation from the moment of its publication in the official gazette.

Four German Vessels Seized.

Late this afternoon the chief inspector of the port notified the secretary to the President, Eusebio Azpiroz, that he had observed large volumes of smoke pouring from the funnel of the interned German ship Bavaria.

Port police went aboard the ship and were informed by her commander, Capt. Graef, that he, in compliance with orders from his Government, had attempted to damage the machinery to render the ship useless. The crew, together with the captain and his wife, were removed, as were the crews of three other interned German ships in the Havana harbor. All were sent to Cabanas fortress.

The other vessels were found to have been slightly damaged. They are the *Adelheid*, *Kydonia* and *Olivant*.

A rumor was current that it had been the intention of the Germans to move the ships out to the mouth of the harbor and sink them there, thus closing the port to navigation.

TO OFFER ARMY TO U. S.

Cuba Also Offering Coast to Keep OR U-Boats.

Preparations to place a Cuban army of 10,000 at the disposal of the United States are actively under way, the local Cuban bureau announced yesterday.

Two more German ships, in addition to those seized, are in Cuban ports. They are the *Olivant*, 3,541 tons, in Havana harbor, owned by the Roland Line, and the *Constantia*, 3,024 tons, at Cienfuegos, owned by the Hamburg American Line. Both are undamaged.

The Cuban navy, the bureau asserted, recently completed a thorough search of the Cuban coast as a result of rumors of a secret German submarine base there, and has reported that no

DRAFT IS VITAL, BAKER ASSERTS

House Military Committee Hears War Secretary on Army's Needs.

PRESIDENT MAY EXEMPT

Hope Expressed Volunteers Will Put Regulars on War Basis Shortly.

WASHINGTON, April 7.—Secretary of War Baker to-day told the Military Affairs Committee of the House that the President, he and the General Staff believed that selective conscription as provided in the army budget before the committee was absolutely essential to a successful prosecution of the war. He declared that the voluntary system would not work.

A few hours later Representative Daniel Anthony, Republican of Kansas, one of the small army obstructionists of the committee, announced that on Monday he would introduce an amendment authorizing voluntary enlistment for the Administration's selective plan.

Secretary Baker, accompanied by Major-General Scott, chief of staff, and Brigadier-General Crowder, Judge Advocate General, appeared before the committee nearly three hours. He will meet with the committee at 2 o'clock Monday afternoon, after which military officers will be heard. The committee is expected to report the budget out within the week.

The Secretary sketched over the war budget, explained the general policies outlined, and offered his views as to the workability of the plan. He said the plan was essentially a War College and general staff proposal; the judgment of military experts.

Technical Troops Provided.

The budget was presented by the Secretary explained in this way Friday morning, with only one suggested change. It was proposed to insert a provision for the drafting into the military organization of technical groups in time of war as follows:

"The President is authorized to raise and maintain by voluntary enlistment or draft a reserve of technical troops as he may deem necessary and to employ them in organizations and to officer them as provided."

Secretary Baker explained that the ultimate purpose was to bring all military organizations, regulars, militia and conscripts, into one service under identical equipment provisions and without distinction of grade. Before calling out the first levy of 200,000 conscripts, however, it is hoped that by voluntary enlistment "for the war" the regular army might be brought to war strength.

The President's proclamation of the existence of a state of war under the military law would automatically place the militia under the military law, so that volunteers going into the militia and regular services after that time would be subject to the same laws and regulations as the regular army. It is expected that the law will be in effect in time of peace. It is hoped that the regular and militia services will be brought into line with the regular army before the first increment of conscripts shall be called out in order that the older organizations may serve at once as protection and in structures.

Exemption Rests With President.

As provided to the committee the question of exempting married men or men dependent upon the care of a wife or child, or of a parent, is left almost entirely to the discretion of the President. The section authorizes the President to draft all men between these ages except "those who are exempted by the President on the basis of their exemption or discharge already provided."

While the thrust of the committee on conscription cannot be definitely stated at this time there is every reason to believe that the President will be authorized by the committee to exempt persons who stand by the recommendations of the committee in all important particulars.

NO MORE MAIL TO GERMANY.

Service With Kaiser's Allies Also Suspended.

WASHINGTON, April 7.—Postmaster-General Burroughs to-day suspended mail service to Germany and to all countries which are in alliance with Germany, Austria, Hungary, Luxembourg, Bulgaria and Turkey, as it is believed that the above countries are in alliance with Germany. Mail from the countries last named which may be received in the United States will be sent forward to the countries of origin.

Postmaster-General Burroughs also has suspended postal money orders between the United States and the German Empire. International money orders will decline to pay orders drawn upon them by German officers on and after April 6.

GREEKS WANT REPUBLIC

Look on Wilson's Message as Step Toward One Soon.

Special Cable Dispatch to The Sun.

ATHENS, April 7.—Representatives of the Greek colonies in Europe, America and Africa have held a meeting and called their gratitude and congratulations to President Wilson, whose message has given "new grounds for the hope of a speedy restoration of constitutional liberties within the Hellenic State and also the extension of those liberties to a vast territory making a part of its national patrimony," they say.

M. Triantafyllides, who presided at the meeting, told the correspondent of The Sun that he hoped now all difficulties had disappeared and a Greek force could be raised in the United States to aid Venizelos, and that the proclamation of a Greek republic had been brought nearer by the action of the United States.

Secretary McAdoo and Congress Leaders in Important Conference.

DISCUSS WAR FINANCES

Involves Scheme of Increasing Taxation by \$1,500,000,000 a Year.

HOUSE TO RUSH MEASURE

Nation Can Raise \$10,000,000,000 Without Disturbing Business.

WASHINGTON, April 7.—A five billion dollar issue of 3½ per cent. bonds within the next thirty days—three-fifths of the issue to be devoted to the immediate credit requirements of the four principal Entente Allies and the remainder to be devoted to the war needs of the United States—is embodied in a programme of immediate financial legislation determined upon at conferences to-day between Secretary of the Treasury McAdoo and Democratic and Republican leaders of both houses of Congress.

This "emergency" sum represents one-half of what it is felt that the country can be called upon immediately to produce in war credits. It will be supplemented by a scheme of increased taxation which has not yet been definitely worked out but which will involve supplementary emergency revenues of not less than \$1,500,000,000 annually.

A series of conferences lasting most of the day settled by far the most important step taken in the war preparations of the United States. The plan to the Allied Powers is regarded by the Administration as of the most pressing importance at this time. As this is settled, one measure with the financing of the war measures already determined upon by this Government it is expected the entire plan will be formulated in a bill which may be presented to the House tomorrow.

The Administration's plan provides that the United States shall not profit one penny in furnishing credit to the Allied Powers. The plan also provides that the United States shall not be accepted at the same interest rate as the American bonds loan.

At the conferences to-day Secretary McAdoo saw Senator Simmons, chairman of the Finance Committee, and Senators Lodge and Smoot, Republican members of the committee. House members Hail, Rodney and Garner, Democrats, and Keweenaw, Republican, of the Ways and Means Committee and Representative McAdams, Democrat, of the Appropriations Committee, also were present.

Following the conferences Secretary McAdoo authorized the following statement:

"I am pleased to see gentlemen about financial matters. Chairman Kitchin of the Ways and Means Committee, was out of town, but I am glad to see the other members of the committee. Representative Mann, the Republican leader of the House, had a previous engagement and could not meet me today. I am sure that all of the members of the committee are thinking about the same thing about what ought to be done in the way of financial legislation, and I am sure that they will all make a definite statement within a day or two."

Details of Programme.

From an absolutely authentic source it was learned that the programme will be presented to Congress by the Treasury Department.

1. An immediate issue of \$5,000,000,000 of 3½ per cent. bonds, of which an advance of \$1,500,000,000 will be made by the Treasury Department to the Ways and Means Committee of the House.

2. Of the \$5,000,000,000 issue \$1,000,000,000 will be held as a reserve to be offered as security for bonds bearing like interest and issued by the Entente Powers from time to time for the payment of supplies purchased in this country. This operation will involve the purchase of bonds of the Entente Powers with the proceeds of the sale of the United States bonds.

3. The entire \$5,000,000,000 issue will be handled by the Treasury Department directly, the purpose being to make a loan to the Allies, by putting the bonds in small denominations to enable the small investor to participate at a time when the high tide of patriotic support offers incentive for taking up government war securities. The bonds may run as low as \$20. In this connection it is held to be advisable to leave the bonds in the hands of the public untouched for the time as subsequent issues unquestionably will be necessary if the war continues any length of time.

Check on Allied Credits.

4. The \$5,000,000,000 will be held available for the purchase of war bonds of the Entente Powers and to be distributed to the Allies in the most needed, and not turned over to any one of the Powers for handling. The Treasury Department, acting with the advice of foreign and domestic financiers, will determine from time to time the distribution of the big credit.

5. To provide the \$17,000,000 annual interest and the possible \$250,000,000 annual contribution to the sinking fund, in addition to the increased expenditures not cared for by the bonds issues, direct taxation will be levied upon as far as possible without being made "unduly burdensome," according to one who will probably play an important part in the framing of the general legislation. It is expected that approximately \$1,500,000,000, in addition to the present revenue returns, will be raised annually or war expenses by taxation.